

# CALIFORNIA RURAL HOUSING NEWS

USDA -Rural Development California

October 2002

## Record Year for Farm Labor Housing

**USDA Rural Development in California Lends Funds . . . and a Hand**

Rural Development California, an agency of the U.S. Department of Agriculture, announced record lending totals this week by its Farm Labor Housing loan and grant programs. In Fiscal Year 2002, USDA Rural Development approved loans and grants totaling \$16.3 million for the construction of 9 new rental complexes around the state, which will provide affordable housing for over 300 farmworker families.

"For California, this represents the largest production year in the history of USDA's Farm Labor Housing programs," said Paul Venosdel, State Director of USDA Rural Development. "It is a reflection of USDA's commitment to the needs of the many hard working families who play such a critical role in California's farm economy."

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## Minority Home Ownership - President Bush Raises Target

Challenging private industry to join with the federal government to raise minority home ownership, President George W. Bush announced the national goal of increasing the number of minority homeowners by at least 5.5 million before the end of 2010.

During a White House Conference on Minority Homeownership on October 16, President Bush noted that public and private sector partnerships that improve minority homeownership can have two worthy results. Raising minority home ownership not only helps more American families enjoy the benefits of owning their own homes, but it will also help strengthen



*President Bush - continued on page 3*

**THIS ISSUE: SPOTLIGHT on FARM LABOR HOUSING -HOMES for FAMILIES**



Young people on this baseball team live at the North Shafter Migrant Housing Complex owned by the Housing Authority of Kern County, a USDA funded multi-family housing project. Photo by Armando Aparicio, USDA-RD Bakersfield.

## Sunset Camp to Get a New Look

*By Olivia Reyes Garcia, staff writer ©Bakersfield Californian Sept. 14, 2002 - used with permission*

Local housing officials had to close the doors of the Sunset migrant farm labor camp earlier this year, and for good reasons.

Located in the Weedpatch area, the Sunset Camp hasn't had a facelift in 30 years, although most of its housing was designed to last only a fraction of that time.

"It was a project designed to last five years," said Manual Diaz, facilities management specialist of the the Kern County Housing Authority, which operates the camp.

Dating from the Dust Bowl migration, the camp first opened in 1935 as the Weedpatch Camp, and was later immortalized in John Steinbeck's 1939 epic novel "The Grapes of Wrath."

*Sunset Camp - continued on page 2*





Jose Perez and his family follow the crops according to the seasons. They now enjoy affordable family housing at the North Shafter Migrant Housing complex. Funded by USDA Rural Development, owned and managed by Housing Authority of Kern County. Photo by Armando Aparicio, USDA-RD Bakersfield

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In addition to \$16.3 million for new construction, USDA will provide another \$2.8 million to existing farm labor housing projects for upgrade and repair work. All totaled, California received over 42 percent of the national Rural Development funding committed to farmworker housing.

"It's very appropriate since study after study has cited the need for affordable farmworker housing in California," observed Venosdel, "especially since California accounts for such a large percentage of all farmworkers in the nation."

USDA Rural Development's housing programs trace their roots to the Depression-era federal migrant housing camps vividly depicted in John Steinbeck's novel The Grapes of Wrath. The "Weedpatch Camp" that housed the fictional Joad family is real and still operating today in Arvin, California, and over the years has been modernized in part with USDA Rural Development funds.

"Farmworker housing programs provide a safe place for working families but also can be the starting point to build some savings and make some financial plans for the future," said Jeff Deiss, Rural Development Multi-Family Housing Program Director.

USDA Rural Development's loans and grants are typically made to nonprofit groups, local housing authorities and State migrant centers. Farmers may also qualify for low interest loans to construct housing on the farm for their workers.

For more information, please contact USDA Rural Development's State Office in Davis at 530-792-5800. ✚

## Sunset Camp - continued from page 1

Originally a tent camp run by the federal government, it was turned over to Kern County in 1958 and then the Kern County Housing in the mid-1960s.

A rebuild camp with wood-framed "homes" opened in May 1973 to house about 120 families who migrated to the county for the seasonal harvest work. The camp normally runs from April through October.

About four years ago, there was talk of closing the Sunset camp and the Shafter camp because the plumbing leaked, roofs were cracked and floors were peeling.

Then the Housing Authority, which runs both, secured grant money from the U.S. Department of Agriculture and state Office of Migrant Services so it could raze the units and build new ones.

The Shafter labor camp, which serves more than 80 families, underwent a similar reconstruction in 1999. It reopened in 2000.

The \$6.2 million Shafter project razed the old units and rebuilt new two- to three-bedroom units that could pass for new apartments. Similar construction for the Sunset Camp is expected to begin this fall and take a year to complete. "This will be nicer because it will be newer," Diaz said.

Wallace & Smith Contractors of Bakersfield were recently awarded the \$5.5 million construction project, said Eddie Garcia, Housing Authority deputy director of facilities. The old units had sliding doors only to separate the rooms. Now, with the new project, there will be actual doors.

"The units will be a lot bigger," Diaz said the the new units. The sized will jump from 600 square feet to 800 to 900 square feet, Diaz said. ✚

## **President Bush** - continued from page 1

America's economy.

"Homeownership strengthens our rural communities and contributes to the overall quality of life for rural families," said USDA Secretary Ann M. Veneman. "USDA works with community organizations, lenders and individual residents to provide opportunities to our nation's minority community and the millions who seek the dream of homeownership."

Secretary Veneman joined President Bush and Housing and Urban Development Secretary Mel Martinez at the White House conference to discuss ways in which government and private sector housing and lending industries could meet the President's goal.

Within the United States Department of Agriculture, Rural Development serves as the lead federal entity for rural development needs and administers financial and technical assistance through three agencies: Rural Housing Service, Rural Business-Cooperative Service and Rural Utilities Service.

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**"Housing prices in California are higher than in many other parts of the country, putting homeownership out of reach for many families in rural markets. . ."**

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Paul Venosdel, State Director of Rural Development in California is committed to the President's goal of increased minority home ownership. "Housing prices in California are higher than in many other parts of the country, putting homeownership out of reach for many families in rural markets," said Venosdel. "To meet the President's goal, we are putting more resources into loan and guaranteed loan programs and self-help housing opportunities that help minority families."

In California, one of the most effective Rural Development tools to open up homeownership options for lower income families is the Rural Self-Help Housing Program. Secretary Veneman said that USDA is working to double the number of participants in its self-help program by 2010, with a special emphasis on minority ownership. While 50 percent of current participants are minorities, USDA is pledging to increase participation by 10 percent to help meet the President's goal. ✚

## **CALIFORNIA HIGHLIGHTS RURAL DEVELOPMENT IN CA- 2002**

➡ **42% of the nation's USDA-RD Funding for Farmworker Housing went to California**

➡ **\$16.3 million for New CA Farmworker Housing**

➡ **\$2.8 million for Upgrade and Repair of Existing CA Farmworker Housing**

➡ **9 New CA Farmworker Housing Complexes**

### **Imelda and Alfredo Build Equity**

#### *A Story of Moving from Rental to Ownership*

Imelda Guzman and her husband Alfredo Manriquez own their home in the quiet Castroville neighborhood called Moro Cojo. They painted it yellow. It's a very nice, new three-bedroom house that she and Alfredo helped build as part of the Self Help Housing Program through USDA Rural Development. They have a front lawn, trees and flowers in the garden where their three children play safely.

Not long ago, Imelda was a farmworker. She and Alfredo lived in the subsidized Harden Ranch Housing Project where many other farmworker families live. It was nice, but it wasn't their own. While there, Alfredo attended school to improve his English skills to work in his profession. Alfredo is an engineer.

Now Imelda and Alfredo talk of buying more property for investment. Alfredo finished school and quickly found a job with an engineering firm designing buildings, roadways and bridges on computer. They have earned the American Dream with hard work and a little help.

"I would recommend that other people do what we did," said Imelda. "Families that are working, but don't have money for a down payment. . . this program can help you."

Buying a home is an American dream for many farmworkers in California. Factors that work against that

*Imelda and Alfredo – continued on page 4*

## Low Income Housing Programs

### USDA Rural Development California

#### MULTI-FAMILY HOUSING PROGRAMS

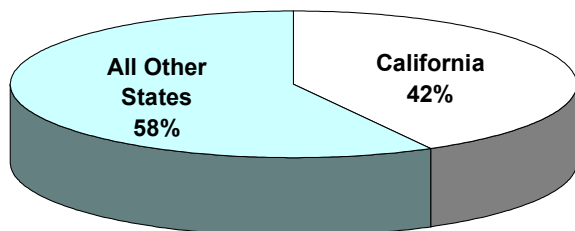
- ☐ Farm Labor Housing Direct Loan and Grant - FLH 514 & 516
- ☐ Rural Rental Housing Direct Loan - RRRH 515
- ☐ Guaranteed Rural Rental Housing Loan - GRRH 538
- ☐ Housing Preservation Grant - HPG 533

#### SINGLE FAMILY HOUSING PROGRAMS

- ☐ Self Help Housing Program – Self Help
- ☐ Single Family Housing Direct Loan - SFH 502 Loan
- ☐ Single Family Housing Participation Loan - SFH 502 Participation
- ☐ Single Family Housing Guaranteed Loan - SFH Guarantee
- ☐ Single Family Housing Loan - SFH 504 Loan
- ☐ Single Family Housing Grant - SFH Grant

Contact the USDA Rural Development California office in Davis at 530-792-5800 for assistance. Visit [www.rurdev.usda.gov/ca](http://www.rurdev.usda.gov/ca) for more details.

### USDA Rural Development Funding for Farmworker Housing - FY2002



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## *Imelda and Alfredo Build Equity*

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dream include the high cost of rental housing in California that slows the build-up of a down payment to buy your own housing “nest egg”. But success stories like this one of Imelda and Alfredo are showing that the American dream of home ownership can true.

USDA Rural Development programs offer low income families and individuals the opportunity to break out of that “no savings” cycle. Farm Labor Housing Direct Loan and Grant Programs (FLH 514 & 516) provide assistance to affordable housing developers and agencies to create or improve multi-family apartment-style housing. The purpose of these funding programs is to make decent rental housing affordable to farmworkers and their families so they aren’t spending so much of their earnings on housing.

In Fiscal Year 2002, \$16.3 million in Rural Development loans and grants went to construct 325 affordable housing units for farmworker families in California. An additional \$2.8 million went to upgrade and repair farmworker housing in California.

The next step is to move from rental to ownership. Rural Development has several programs to assist low-income families to accomplish the ownership challenge. Imelda and Alfredo utilized the Self Help Housing Program to qualify for a low-interest, low monthly payment, low down payment loan in return for investing their own “sweat equity.” Under this program a group of families share the labor to work under the direction of a qualified builder and commit to 1,400 hours in a one to two-year period. At the end they have their own homes.

During Fiscal Year 2002, \$105.1 million has been approved for use in building low and very-low income single family homes in California through Rural Development 502 and 504 loan programs. That is roughly a thousand new affordable homes for people who need them. With an average of four persons in a household, this means that approximately 4,000 more people are now living in their own homes, most for the very first time. ✚



USDA Rural Development California  
430 G Street, Davis, CA 95616-4169  
530-792-5800 phone  
530-792-5838 fax  
[www.rurdev.usda.gov/ca](http://www.rurdev.usda.gov/ca)

Paul Venosdel, State Director  
Jeff Deiss, Multi-Family Housing Director  
Bob Anderson, Single Family Housing Director  
Rita Medina, Administrative Programs Director